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August 23, 2002

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To: Vendor Fiscal Intermediary (VFI) Agencies

Subject: Long Term Care (LTC)
Information Letter No. 02-23

1. Terminology Changes for the VFI Option
2. Fiscal Year (FY) 03 Rate Changes for the VFI Option

TERMINOLOGY CHANGES

Effective August 1, 2002, the terminology for "Vendor Fiscal Intermediary Option" is changed to "**Consumer Directed Services (CDS).**" The waiver amendments for the Community Living Assistance and Support Services (CLASS) program, the Deaf-Blind/Multiple Disabilities (DB-MD) program and the State Plan Amendment for Primary Home Care were approved by the Centers for Medicare and Medicaid Services with the change in the service delivery model.

All policies, forms, training materials and other documents will be revised to reflect this change. The only other major change is that "Personal Assistance Services" terminology references for the CLASS program will be revised to "Habilitation Services."

FY 03 RATE CHANGES

The Health and Human Services Commission approved rate changes for the Texas Department of Human Services (DHS) home and community-based programs **effective September 1, 2002** for State of Texas FY 03 (September 1, 2002 – August 31, 2003). Rate changes affecting CDS are included below by program:

1. CLASS:

Participant-Level 4, \$12.35, is the Habilitation Services rate for participants in CLASS CDS for FY 03. There are no changes to Respite Services rates in the CDS Option.

➤ Habilitation Services, Service Code 27A:

Unit Rate Change	From: \$12.30	To: \$12.35
CDS Agency Portion	No Change / Remains at \$1.00	
CDS Agency Percentage	From: 8.13%	To: 8.10%
Consumer Portion	From: \$11.30	To: \$11.35
Consumer Percentage	From: 91.87%	To: 91.90%

2. DB-MD:

Participant-Level 4, \$12.35, is the Habilitation Services and Intervenor rate for participants in DB-MD CDS for FY 03. There are no changes to Respite Services rates in the CDS Option.

➤ **Habilitation Services, Service Code 27A:**

Unit Rate Change From: \$12.30 To: \$12.35

CDS Agency Portion	No Change / Remains at \$1.00	
CDS Agency Percentage	From: 8.13%	To: 8.10%
Consumer Portion	From: \$11.30	To: \$11.35
Consumer Percentage	From: 91.87%	To: 91.90%

3. CONSUMER MANAGED PERSONAL ASSISTANCE SERVICES (CMPAS):

Each participating DHS Region negotiates the CMPAS rate for participants. The rate for the CMPAS CDS provider continues at \$1.00 for FY 03.

4. PRIMARY HOME CARE/FAMILY CARE (PHC/FC):

There are **NO** rate changes effective September 1, 2002 that impact CDS for PHC/FC.

All claims for services delivered on or after September 1, 2002, will be processed using the new payment rates. Claims submitted by the provider for any services delivered on or after September 1, 2002, should be prepared using the new rates.

SERVICE PLAN REVISIONS

CLASS and DB-MD providers are **not required to and should not** submit new Individual Service Plans (ISPs) for rate changes. ISPs should be updated to include new rates as changes in services or as reassessments are needed. The Claims Management System has been programmed to pay at the new rates for services delivered on or after September 1, 2002 without ISP updates.

Please contact your DHS Contract Manager, or DHS Program Consultant if you have any questions about the information letter.

Sincerely,

Signature on file

Becky Beechinor
Assistant Deputy Commissioner
Long Term Care Services

BB:ck